

April 6, 2015

The regular meeting of the New Richmond Utility Commission was held on April 6, 2015 at 3:30 p.m. at the Civic Center.

Jerry Frey called the meeting to order at 3:30 p.m.

Members Present: Jerry Frey, Bob Mullen, Gerry Warner, and Pat Becker.

Members Absent: Dan Casey

A motion was made by Gerry Warner to approve the agenda, seconded by Pat Becker, and carried.

A motion was made by Bob Mullen to approve the minutes of the March 4, 2015 meeting, and approve bills and disbursements, seconded by Gerry Warner, and carried.

Public Comment – None

Madison Ave Street Lighting Proposal – Proposal was made by Tom Rickard to install LED street lights on Madison Ave. This is a continuation of what is already in the Industrial Park. The project would be funded through TIF 6. The Electric Department will install the street lights and be reimbursed by the City for their time. A motion to approve the Madison Avenue lighting proposal was made by Bob Mullen, seconded by Gerry Warner, and carried.

Act 274 Tariff Changes to Deferred Payment Agreements – Discussions took place concerning best practices for deferred payment agreements since Wisconsin Act 274 was enacted into law. Current Electric and Water tariffs require all utilities to offer a deferred payment agreement to residential customers, whether the customer is a tenant or owner of the property being provided with service. Act 274 allows a Utility to continue the practice of offering deferred payment agreements to residential tenants that do not abuse the opportunity for deferred payment agreements. For those residential tenants that take advantage of the system, a utility has the option of discontinuing the practice of offering deferred payment agreements. A new tariff is needed to change current practices to comply with the new state law and meet PSC Administrative rules. A motion was made by Pat Becker to file a tariff with the PSC to amend our service rules related to offering deferred payment agreements to residential tenants, seconded by Bob Mullen, and carried.

Wastewater Facility Planning – Jeremiah Wendt gave a brief update on the STH 64 Corridor Communities Stormwater/Wastewater coalition. The City of New Richmond has funds available to update the City's Wastewater Facility Plan. The Coalition has identified this as a priority item for the current phase that the Coalition is in. The Coalition has recommended that the City and Village members work with their own consultants to update their individual Facility Plan and share the information with the coalition at large. Staff is requesting approval from the Utility Commission to secure proposals from SEH and MSA to update the City's Wastewater Facility Plan. These price proposals would then be brought back to the Utility Commission for review, and selection of a consultant before a funding proposal is presented to the Coalition. A motion was made by Bob Mullen to secure proposals from SEH and MSA, and present to the Utility Commission, seconded by Pat Becker, and carried.

2015-2016 Street and Utility Improvements – Mike Darrow gave a brief update on the water/wastewater project that would extend to the airport. Mike will be meeting with West Central Wisconsin Regional Planning to discuss a grant, and the grant funding cycle. He is recommending that a technical analysis be completed before any funds are secured. Jeremiah Wendt stated the City Council accepted the proposal from SEH for the design of the City's 2015-2016 Street and Utility Improvements. The council directed staff to work with SEH to assemble a contract for the design of these improvements, which will be brought back for approval at the April 27th City Council meeting. Staff will provide the Utility Commission with an update on the utility related projects, including proposed engineering costs, and schedule. SEH will be looking at funding options for the N. 4th Street project. This project could be pushed to 2017. If that occurs, an alternative project would be considered for completion, in order to remain on schedule.

South Water Tower Reconditioning Project – Bids for the South Water Tower Reconditioning Project were opened on Thursday, April 2, 2015. Jeremiah Wendt stated Champion Coatings from Savage, MN was the low bid at \$368,900.00. Included in that bid were \$27,000.00 of telecom expenses. Actual cost to New Richmond Utilities will be \$341,900.00. Logos were bid out at unit prices. City lettering at each location would be \$4,000.00, Tiger logo would be \$6,000.00. A decision on the logos will be finalized in May. A motion was made by Gerry Warner to approve the contract with Champion Coatings for \$368,900.00, seconded by Bob Mullen, and carried.

Scott Newby Land Update – Jeremiah Wendt spoke with City Attorney and SEH. Phone contact to Scott Newby was attempted, but there was no response. Conclusion is to send a letter to Scott Newby, stating we have received his letter, and need to know what he is looking for.

Needs Analysis for Impact Fee Adjustment – Mike Darrow stated that over the last year, members of the staff have been working on a comparable analysis of impact fees from other communities. There needs to be a connection between the CIP, and the charging of impact fees. Currently, the City of New Richmond, and New Richmond Utilities policy for funding impact fees is very cumbersome, very complicated, and in some cases very high, which drives development away. Because the CIP plan has been updated, we are proposing to eliminate the current policy, and implement a new policy for calculating impact fees. We are currently looking at implementing a new policy where impact fees are based on Residential Equivalent Units, or REU's. The public needs to have an opportunity to see what is being proposed. This new policy will be presented to the City Council for approval at the April 13, 2015 meeting.

Department Reports:

Bob Meyer, Water Superintendent, gave the following report: The installation of meters, and cross connections is an ongoing project. Currently waiting for materials to arrive for the campground project. Hoping to start on that extension soon. Bob was in Green Bay for a Tech Conference for three days. Getting ready to start hydrant flushing at the end of the month. The hydrants on Main Street will be repaired and refurbished. That project has begun.

Steve Skinner, Lead Wastewater Treatment Plant Operator, gave the following report: Everything is currently running smoothly at the sewer plant. New employee, Dave Pufall, is doing a good job. Dave was able to test his skills when the effluent sampler stopped working. Steve contacted the DNR to make them aware of the issue and how they were proceeding to correct the problem. The effluent sampler was repaired, and everything is currently working well.

Tom Rickard, Electric Superintendent, gave the following report: The annual tree trimming and truck maintenance has been completed. Focus on Energy has an incentive program for the conversion of certain light fixtures. As a result of this program, Simon Electric will be replacing the old metal halide lights with new 190 watt LED lights throughout the city. The City of New Richmond purchased 140 smaller 50 watt LED lights that have recently been received. Electric Department will be working on installing those lights. Work has begun on putting in underground services.

Jeremiah Wendt, Director of Public Works, gave the following report: Interviews will be taking place for the Public Works One position. This position will initially provide support for the Water Department. Position will focus on the installation of meters and upcoming capital projects. T-Mobile has completed their upgrade on the North Water Tower. Verizon is about halfway through their upgrade project. St. Croix County is looking into putting facilities on the South Water Tower. Currently working on a lease agreement with St Croix County. Since St Croix County is serving the City of New Richmond with emergency communications, there will be no rental fee. However, St. Croix County would still have the same responsibility as other carriers for providing funds if additional costs occur. The completed lease agreement will be presented to the Utility Commission.

Nancy Petersen, Finance Director, gave the following report:

2014 Audit Work – The auditors were here the week of March 23 doing their 2014 audit work. The Electric and Water PSC reports were filed with the Wisconsin Public Service Commission on March 31, 2015. The audit went well and there were no adjusting journal entries!!

New Richmond Utilities Billing Procedures Manual – We have met and developed a plan for drafting our Utility Billing Procedures Manual. Our goal is to have our first draft written by the end of May with final completion before the end of the year. There are a couple sections that we will need both the electric and water department's assistance in drafting their procedures related to electric and water meter procedures for new meter installations, testing, and meter errors.

Remote Check Processing Scanner – The Utility Office check scanner was replaced last week with an upgraded model (Canon CR190i). We traded in our CR180 purchased in 2008 for \$200. This scanner is obsolete and it is difficult to obtain replacement parts for it. This expense was budgeted for in 2015. Nancy was also able to negotiate an additional discount of \$200. The net cost after trade in and discount is \$2,446. This newer model offers a faster speed and a water falling feature for continuous operation.

Retirement Party – Dennis Holtz – Dennis's party was held on Friday, March 27 at Gibby's. We had about 45-50 people in attendance and a good time was had by all!

Weston Arndt, WPPI Energy Services Rep, gave the following report: Wisconsin Lighting (Loehr Management) is evaluating a lighting upgrade to LED in their facility. They want to pursue a shared savings loan. Expect an application for the next utility commission meeting.

Mike Darrow, Utility Manager, gave the following updates: The New Richmond Utility picnic will be held at Mary Park on Tuesday, August 4, 2015 in conjunction with National Night Out. Mike, Wes Arndt, and River Falls Utility had a conference call with WPPI concerning the Solar Garden Project. There have been some delays, but the project is moving forward. Over the next few months, we will be looking at developing a marketing plan, along with getting some design work to determine where it will fit in with TIF 6, the costs, and processes.

Communications and miscellaneous correspondence – None

Closed session per State Statute 19.85 (1)(e)

Staffing updates & Recommendations

A motion was made to go into closed session by Gerry Warner, seconded by Pat Becker, and carried.

A motion was made to enter into open session by Gerry Warner at 4:52 p.m., seconded by Pat Becker, and carried.

Open Session – Action on Closed Session agenda – A motion was made by Bob Mullen to approve staffing recommendations as proposed, with Utility Director moving to New Richmond Utilities full time, seconded by Gerry Warner, and carried.

There being no further business, a motion was made by Gerry Warner to adjourn, seconded by Pat Becker, and carried. The meeting adjourned at 4:53 p.m.

Jerry Frey, President

Bob Mullen, Secretary